Making payment to the officers of Fertilizer Companies

1446. SHRI PRAMOD MAHAJAN: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that after the pay-scales revision of officers of fertilizer group of companies with effect from 1st of January, 1987 arrears on account of above revision of pay-scales have not been paid to all the FCI-NFL Fertilizer Group of companies, if so, the names of such companies and if so, the reasons for non-payment to officers;

(b) by when arrears would be paid;

(c) whether interest would be paid on this delayed payment; and

(d) the number of persons who retired during this period and the manner of making payment to them?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI CHINTA MOHAN): (a) to (c) Among the FCI NFL group of companies (i.e. Fertilizer Corporation of India Limited, Hindustan Fertilizer Corporation Limited, Rashtriya Chemicals and Fertilizers Limited, Projects and Development India Limited and National Fertilizers Limited), the arrears on account of pay scale revision of officers have not been paid by FCI, HFC and PDIL. The non-payment of arrears by these companies is due to the acute financial problems that they are facing. They would be able to pay the arrears as soon as their financial position improves. No interest would, however, be paid on the delayed payment of arrears.

(d) In so far as RCF and NFL are concerned, all arrears on account of pay scale revision have been paid to all officers who have retired since 1-1-1987. In HCF, FCI and PDIL 912. 678 and 225 officers respectively have retired since 1-1-1987 (including voluntary retirement). FCI have made payment of arrears on account of pay revision in respect of all but 51 eligible cases of officers who have retired since 1-1-1987. While HFC have not been able to make payment of arrears to most of the retired officers, PDIL have not made any payment of arrears to the officers who have retired since 1-1-1987.

Free pricing of fertilizers

1447. SHRI SANTOSH KUMAR SAHU: Will the PRIME MINISTER be pleased to state:

(a) whether Government are contemplating to allow free pricing of fertilizers and liberalise imports of raw material;

(b) whether the Committee appointed for the purpose has been given extension to submit its report; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) There is no proposal, at present, with the Government to allow free pricing of fertilizers. However in so far as import of raw materials is concerned, it may be stated that import of raw materials like ammonia, phosphoric acid, rock phosphate and sulphur, has been recently de-canalised, allowing the units to import these items directly.

(b) and (c) Yes, Sir. The Parliamentary Committee appointed to go into the various aspects of fertilizer pricing and subsidy, were to make a report to the Speaker within six months. At the Committee's request the Speaker has extended time for submission of their report on or before the last day of the Monsoon Session, 1992 of the Parliament.

Paradeep Phosphates Limited

1448. SHRI KAMAL MORARKA: Will the PRIME MINISTER be pleased to state.

(a) whether it is a fact that Paradeep Phosphate Limited did not claim fertilizer subsidy of Rs. 60 crore which account's for more than half of the accumulated losses of the company;

(b) if so, the reasons therefor;

(c) whether it is also a fact that the Government of Nauru has decided to withdraw its stake from the company; and

(d) if so, the reasons therefor and the reaction of Government of India thereto?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) and (b) A claim of Rs. 90.32 crores from Paradeep Phosphates Limited is, at present, pending with Fertilizer Industry Coordination Committee (FICC) which relates to escalations due to price revision approved by FICC in its 55th meeting.

(c) and (d) The Government of Nauru have expressed their desire to withdraw their equity participation from Paradeep Phosphates Limited as, in their perception, the Company is not likely to make profits in the near future and pay dividents to them. No decision has been taken on the request of the Government of Nauru.

Policy on fertilizer pricing and subsidy

1449. SHRI KAMAL MORARKA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the fertilizer industry has urged Government to announce policy on fertiliser pricing and subsidy to prevent its complete closure;

(b) what are the reasons for the present situation in the fertiliser industry; and

(c) what steps are being taken to avert the situation?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) and (b) Several representations have been received from the industry on fertilizer pricing and subsidy. They have also drawn attention to the liquidity crisis being faced by the units on account of delays in payment of subsidy dues to them, closure of a number of SSP units and threat of further closures as a result.

(c) Within the available budgetary allocations efforts are continuously made to clear the outstanding subsidy dues expeditiously. Further, a Parliamentary Committee is currently looking into various aspects of fertilizer pricing and subsidy.

Overcharging of prices under DPCO, 1987.

1450. SHRIMATI SATYA BAHIN: SHRI RAJNI RANJAN SAHU:

Will the PRIME MINISTER be pleased to refer to the answer to the Unstarred Question 378 given in the Rajya Sabha on the 30th April, 1992 and state:

(a) what is the latest position of cases where *prima facie* overcharging of prices of bulk drugs and formulations under DPCO, 1987 have been established so far;

(b) what are the details regarding names of products and companies in respect of which complaints have been received or have appeared in the news papers but *prima facie* case of overcharging is yet to be established; and

(c) what are the reasons for delay in launching the proceedings of prosecution against the companies as per Law and by when such a step would be taken?

THE MINISTER OF STATE IN MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) to (c) The cases of overcharging of prices of bulk drugs and formulations under DPCO, 1987 which came to the notice of Government are under examination. The list of